



Insurance - Contract - Interpretation of - Standard form contracts - Bargaining power, when ambiguity exists and an interpretation of the contract is preferred which favors the party with lesser bargaining power

[PRINT / DOWNLOAD PDF](#)

**[contract](#) - Interpretation of - Standard form contracts - Bargaining power - There is no gainsaying that in a [contract](#), the bargaining power is usually at equal footing - In this regard, the joint intention of the parties is taken into consideration for interpretation of a contract - However, in most standard form contracts, that is not so - In this regard, the Court in such circumstances would consider the application of the rule of *contra preferatum*, when ambiguity exists and an interpretation of the contract is preferred which favors the party with lesser bargaining power - [insurance](#) - Commercial Vehicle Package Policy.**

**[2020 SCeJ 069, 2020 PLRonline 7090](#)**

Tags: [Contra preferatum](#), [Contract - Standard form contracts](#), [insurance](#), [Insurance - Interpretation of](#)